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**HD Apache Shares Plunge Following Scant Update on Oil Prospect****WC** 540 words**PD** 2 December 2019**ET** 13:00**SN** Dow Jones Institutional News**SC** DJDN**LA** English**CY** Copyright © 2019, Dow Jones & Company, Inc.**LP**

Apache Corp. released a sparse progress report on its project to drill for oil off the coast of Suriname that raised more questions than answers, leading its shares to fall about 14%.

Shareholders had been expecting the Houston-based company to shed light on the outcome of an exploratory offshore well near the small South American country. But instead of disclosing whether it had struck oil, Apache said that it is conducting additional tests and plans to drill deeper into the rock.

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Many investors have been closely monitoring Apache's activity in the region, which is near a massive offshore oil field in Guyana that Exxon Mobil Corp. is developing. The lack of information Monday sent the company's shares plummeting on a day in which crude prices were up more than 1%.

"Additional information will be provided when the company is prepared to characterize the results," Apache said.

Apache's lackluster performance recently has ramped up pressure on the company's results in Suriname. As of Friday, before the company's Suriname announcement, the value of the Apache's shares including reinvested dividends had fallen roughly 35% in the last 12 months, FactSet data show, as Apache slowed production in the Permian Basin of West Texas and New Mexico due to low natural-gas and natural-gas-liquids prices. A broad index of U.S. oil and gas producers shed about 38% of its value in that time.

The company's prospects in the Permian region appeared bright in 2016 when it said it had discovered a new field it dubbed Alpine High. But Apache's assets in the Permian contain less oil and more natural gas than those of many of its peers. Natural gas is less valuable than oil, and the price of the commodity is expected to remain low due to a domestic glut of the fuel.

Analysts from energy investment bank Tudor, Pickering, Holt & Co. described the company's exploratory Suriname project as "among the most anticipated wells in the world."

"While we appreciate the desire to test multiple play concepts given promotion of the vast potential of this block, releasing the first update without any color on the results of the first two tests will not be taken well by the market, and we expect most of the Suriname premium to erode," the analysts wrote in a note to investors.

In late October, Apache shares fell 5% in a day after it was reported that the company's senior vice president of world-wide exploration, Steve Keenan, had resigned, prompting concern about Suriname.

Chief Executive John Christmann that month told investors during Apache's third-quarter earnings call that Mr. Keenan's departure wasn't related to the Suriname project, attributing it instead to succession planning at the company.

"Steve did not have anything to do with us getting into Suriname or taking this block," Mr. Christmann said.

Apache reported a loss of \$170 million in the third quarter, down from \$81 million in profit during the same period a year earlier.

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